

SENATE BILL No. 567

DIGEST OF INTRODUCED BILL

Citations Affected: IC 36-7.

Synopsis: Redevelopment commissions and authorities. Requires a redevelopment commission or redevelopment authority to hold an organizational meeting on a day in January that is not a Saturday, a Sunday, or a legal holiday and that is their first meeting day of the year. Requires the treasurer of a redevelopment commission to report annually to the redevelopment commission before March 1 (rather than reporting to the fiscal body of the unit before July 1, under current law). Requires the treasurer of a redevelopment authority to report annually to the redevelopment authority before March 1 (rather than reporting to the fiscal body of the unit before July 1, under current law). Requires redevelopment commissions and redevelopment authorities to report annually to the unit's executive and fiscal body and the department of local government finance before March 15. Specifies that certain information currently reported annually by redevelopment commissions before August 1 shall instead be included with the March 15 report.

Effective: January 1, 2016.

Miller Pete

January 20, 2015, read first time and referred to Committee on Local Government.



First Regular Session 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

SENATE BILL No. 567

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 36-7-14-8, AS AMENDED BY P.L.149-2014,
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2016]: Sec. 8. (a) The redevelopment commissioners
4 shall hold a meeting for the purpose of organization not later than thirty
5 (30) days after they are appointed and, after that, each year on ~~the first~~
6 ~~day a day~~ in January that is not a Saturday, a Sunday, or a legal holiday
7 **and that is their first meeting day of the year.** They shall choose one
8 (1) of their members as president, another as vice president, and
9 another as secretary. These officers shall perform the duties usually
10 pertaining to their offices and shall serve from the date of their election
11 until their successors are elected and qualified.
12 (b) The fiscal officer of the unit establishing a redevelopment
13 commission is the treasurer of the redevelopment commission.
14 Notwithstanding any other provision of this chapter, the treasurer has
15 charge over and is responsible for the administration, investment, and
16 disbursement of all funds and accounts of the redevelopment



1 commission in accordance with the requirements of state laws that
 2 apply to other funds and accounts administered by the fiscal officer.
 3 The treasurer shall report annually to the ~~fiscal body of the unit~~
 4 **redevelopment commission** before ~~July~~ **March 1**.

5 (c) The redevelopment commissioners may adopt the rules and
 6 bylaws they consider necessary for the proper conduct of their
 7 proceedings, the carrying out of their duties, and the safeguarding of
 8 the money and property placed in their custody by this chapter. In
 9 addition to the annual meeting, the commissioners may, by resolution
 10 or in accordance with their rules and bylaws, prescribe the date and
 11 manner of notice of other regular or special meetings.

12 (d) This subsection does not apply to a county redevelopment
 13 commission that consists of seven (7) members. Three (3) of the
 14 redevelopment commissioners constitute a quorum, and the
 15 concurrence of three (3) commissioners is necessary to authorize any
 16 action.

17 (e) This subsection applies only to a county redevelopment
 18 commission that consists of seven (7) members. Four (4) of the
 19 redevelopment commissioners constitute a quorum, and the
 20 concurrence of four (4) commissioners is necessary to authorize any
 21 action.

22 SECTION 2. IC 36-7-14-13, AS AMENDED BY THE
 23 TECHNICAL CORRECTIONS BILL OF THE 2015 GENERAL
 24 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JANUARY 1, 2016]: Sec. 13. (a) Not later than March 15 of each year,
 26 the redevelopment commissioners or their designees shall file with the
 27 unit's executive **and fiscal body** a report setting out their activities
 28 during the preceding calendar year.

29 (b) The report of the commissioners of a municipal redevelopment
 30 commission must show the names of the then qualified and acting
 31 commissioners, the names of the officers of that body, the number of
 32 regular employees and their fixed salaries or compensation, the amount
 33 of the expenditures made during the preceding year and their general
 34 purpose, an accounting of the tax increment revenues expended by any
 35 entity receiving the tax increment revenues as a grant or loan from the
 36 commission, the amount of funds on hand at the close of the calendar
 37 year, and other information necessary to disclose the activities of the
 38 commissioners and the results obtained.

39 (c) The report of the commissioners of a county redevelopment
 40 commission must show all the information required by subsection (b),
 41 plus the names of any commissioners appointed to or removed from
 42 office during the preceding calendar year.



(d) A copy of each report filed under this section must be submitted to the department of local government finance in an electronic format.

(e) ~~Before August 1 each year, the redevelopment commissioners shall also submit a report to the fiscal body of the unit.~~ The report **required under subsection (a)** must **also** include the following information set forth for each tax increment financing district regarding the previous year:

(1) Revenues received.

(2) Expenses paid.

(3) Fund balances.

(4) The amount and maturity date for all outstanding obligations.

(5) The amount paid on outstanding obligations.

(6) A list of all the parcels included in each tax increment financing district allocation area and the base assessed value and incremental assessed value for each parcel in the list.

~~Before October 1 each year, the fiscal body shall compile the reports received for all the tax increment financing districts and submit a comprehensive report to the department of local government finance in the form required by the department of local government finance.~~

~~(e)~~ **(f)** A redevelopment commission and a department of redevelopment are subject to the same laws, rules, and ordinances of a general nature that apply to all other commissions or departments of the unit.

SECTION 3. IC 36-7-14-39, AS AMENDED BY P.L.95-2014, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 39. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a declaratory resolution adopted under section 15 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (h); plus

(B) to the extent that it is not included in clause (A), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date after the



- 1 effective date of the allocation provision.
- 2 (2) If an allocation provision is adopted after June 30, 1997, in a
- 3 declaratory resolution or an amendment to a declaratory
- 4 resolution establishing a redevelopment project area:
- 5 (A) the net assessed value of all the property as finally
- 6 determined for the assessment date immediately preceding the
- 7 effective date of the allocation provision of the declaratory
- 8 resolution, as adjusted under subsection (h); plus
- 9 (B) to the extent that it is not included in clause (A), the net
- 10 assessed value of property that is assessed as residential
- 11 property under the rules of the department of local government
- 12 finance, as finally determined for any assessment date after the
- 13 effective date of the allocation provision.
- 14 (3) If:
- 15 (A) an allocation provision adopted before June 30, 1995, in
- 16 a declaratory resolution or an amendment to a declaratory
- 17 resolution establishing a redevelopment project area expires
- 18 after June 30, 1997; and
- 19 (B) after June 30, 1997, a new allocation provision is included
- 20 in an amendment to the declaratory resolution;
- 21 the net assessed value of all the property as finally determined for
- 22 the assessment date immediately preceding the effective date of
- 23 the allocation provision adopted after June 30, 1997, as adjusted
- 24 under subsection (h).
- 25 (4) Except as provided in subdivision (5), for all other allocation
- 26 areas, the net assessed value of all the property as finally
- 27 determined for the assessment date immediately preceding the
- 28 effective date of the allocation provision of the declaratory
- 29 resolution, as adjusted under subsection (h).
- 30 (5) If an allocation area established in an economic development
- 31 area before July 1, 1995, is expanded after June 30, 1995, the
- 32 definition in subdivision (1) applies to the expanded part of the
- 33 area added after June 30, 1995.
- 34 (6) If an allocation area established in a redevelopment project
- 35 area before July 1, 1997, is expanded after June 30, 1997, the
- 36 definition in subdivision (2) applies to the expanded part of the
- 37 area added after June 30, 1997.
- 38 Except as provided in section 39.3 of this chapter, "property taxes"
- 39 means taxes imposed under IC 6-1.1 on real property. However, upon
- 40 approval by a resolution of the redevelopment commission adopted
- 41 before June 1, 1987, "property taxes" also includes taxes imposed
- 42 under IC 6-1.1 on depreciable personal property. If a redevelopment



1 commission adopted before June 1, 1987, a resolution to include within
2 the definition of property taxes, taxes imposed under IC 6-1.1 on
3 depreciable personal property that has a useful life in excess of eight
4 (8) years, the commission may by resolution determine the percentage
5 of taxes imposed under IC 6-1.1 on all depreciable personal property
6 that will be included within the definition of property taxes. However,
7 the percentage included must not exceed twenty-five percent (25%) of
8 the taxes imposed under IC 6-1.1 on all depreciable personal property.

9 (b) A declaratory resolution adopted under section 15 of this chapter
10 on or before the allocation deadline determined under subsection (i)
11 may include a provision with respect to the allocation and distribution
12 of property taxes for the purposes and in the manner provided in this
13 section. A declaratory resolution previously adopted may include an
14 allocation provision by the amendment of that declaratory resolution on
15 or before the allocation deadline determined under subsection (i) in
16 accordance with the procedures required for its original adoption. A
17 declaratory resolution or amendment that establishes an allocation
18 provision must include a specific finding of fact, supported by
19 evidence, that the adoption of the allocation provision will result in
20 new property taxes in the area that would not have been generated but
21 for the adoption of the allocation provision. For an allocation area
22 established before July 1, 1995, the expiration date of any allocation
23 provisions for the allocation area is June 30, 2025, or the last date of
24 any obligations that are outstanding on July 1, 2015, whichever is later.
25 A declaratory resolution or an amendment that establishes an allocation
26 provision after June 30, 1995, must specify an expiration date for the
27 allocation provision. For an allocation area established before July 1,
28 2008, the expiration date may not be more than thirty (30) years after
29 the date on which the allocation provision is established. For an
30 allocation area established after June 30, 2008, the expiration date may
31 not be more than twenty-five (25) years after the date on which the first
32 obligation was incurred to pay principal and interest on bonds or lease
33 rentals on leases payable from tax increment revenues. However, with
34 respect to bonds or other obligations that were issued before July 1,
35 2008, if any of the bonds or other obligations that were scheduled when
36 issued to mature before the specified expiration date and that are
37 payable only from allocated tax proceeds with respect to the allocation
38 area remain outstanding as of the expiration date, the allocation
39 provision does not expire until all of the bonds or other obligations are
40 no longer outstanding. The allocation provision may apply to all or part
41 of the redevelopment project area. The allocation provision must
42 require that any property taxes subsequently levied by or for the benefit



of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the redevelopment district and, when collected, paid into an allocation fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds which are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 27 of this chapter.

(D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 25.2 of this



chapter.

(G) Reimburse the unit for expenditures made by it for local public improvements (which include buildings, parking facilities, and other items described in section 25.1(a) of this chapter) that are physically located in or physically connected to that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) For property taxes first due and payable before January 1, 2009, pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the redevelopment commission. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

- (i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 (before its repeal)) for that year as determined under IC 6-1.1-21-4 (before its repeal) that is attributable to the taxing district; by
- (ii) the STEP ONE sum.

STEP THREE: Multiply:

- (i) the STEP TWO quotient; times
- (ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 39.5 of this chapter (before its repeal) in the same year.

(J) Pay expenses incurred by the redevelopment commission for local public improvements that are in the allocation area or



serving the allocation area. Public improvements include buildings, parking facilities, and other items described in section 25.1(a) of this chapter.

(K) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

- (i) in the allocation area; and
- (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(L) Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the unit that established the redevelopment commission. However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:

- (i) Make, when due, any payments required under clauses (A) through (K), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.
- (ii) Make any reimbursements required under this subdivision.
- (iii) Pay any expenses required under this subdivision.
- (iv) Establish, augment, or restore any debt service reserve under this subdivision.

(M) Expend money and provide financial assistance as authorized in section 12.2(a)(27) of this chapter.

The allocation fund may not be used for operating expenses of the commission.

(4) Except as provided in subsection (g), before July 1 of each year, the commission shall do the following:

- (A) Determine the amount, if any, by which the assessed value



of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3), plus the amount necessary for other purposes described in subdivision (3).

(B) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, ~~and~~ the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, **and (in an electronic format) the department of local government finance**. The notice must:

(i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3) or lessors under section 25.3 of this chapter.

(C) If:

(i) the amount of excess assessed value determined by the commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds described in subdivision (3); plus

(ii) the amount necessary for other purposes described in subdivision (3);

the commission shall submit to the legislative body of the unit its determination of the excess assessed value that the commission proposes to allocate to the respective taxing units in the manner prescribed in subdivision (1). The legislative



body of the unit may approve the commission's determination or modify the amount of the excess assessed value that will be allocated to the respective taxing units in the manner prescribed in subdivision (1).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

- (1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
- (2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the redevelopment commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

- (1) the assessed value of the property as valued without regard to this section; or
- (2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund any amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. The amount sufficient for purposes specified in subsection (b)(3) for the year shall be determined based on the pro rata portion of such current property tax proceeds from the part of the



1 enterprise zone that is within the allocation area as compared to all
 2 such current property tax proceeds derived from the allocation area. A
 3 unit that has no obligations, bonds, or leases payable from allocated tax
 4 proceeds under subsection (b)(3) shall establish a special zone fund
 5 and deposit all the property tax proceeds in excess of those described
 6 in subsection (b)(1) and (b)(2) in the fund derived from property tax
 7 proceeds in excess of those described in subsection (b)(1) and (b)(2)
 8 from property located in the enterprise zone. The unit that creates the
 9 special zone fund shall use the fund (based on the recommendations of
 10 the urban enterprise association) for programs in job training, job
 11 enrichment, and basic skill development that are designed to benefit
 12 residents and employers in the enterprise zone or other purposes
 13 specified in subsection (b)(3), except that where reference is made in
 14 subsection (b)(3) to allocation area it shall refer for purposes of
 15 payments from the special zone fund only to that part of the allocation
 16 area that is also located in the enterprise zone. Those programs shall
 17 reserve at least one-half (1/2) of their enrollment in any session for
 18 residents of the enterprise zone.

19 (h) The state board of accounts and department of local government
 20 finance shall make the rules and prescribe the forms and procedures
 21 that they consider expedient for the implementation of this chapter.
 22 After each general reassessment of real property in an area under
 23 IC 6-1.1-4-4 and after each reassessment in an area under a
 24 reassessment plan prepared under IC 6-1.1-4-4.2, the department of
 25 local government finance shall adjust the base assessed value one (1)
 26 time to neutralize any effect of the reassessment of the real property in
 27 the area on the property tax proceeds allocated to the redevelopment
 28 district under this section. After each annual adjustment under
 29 IC 6-1.1-4-4.5, the department of local government finance shall adjust
 30 the base assessed value one (1) time to neutralize any effect of the
 31 annual adjustment on the property tax proceeds allocated to the
 32 redevelopment district under this section. However, the adjustments
 33 under this subsection:

- 34 (1) may not include the effect of phasing in assessed value due to
- 35 property tax abatements under IC 6-1.1-12.1;
- 36 (2) may not produce less property tax proceeds allocable to the
- 37 redevelopment district under subsection (b)(3) than would
- 38 otherwise have been received if the general reassessment, the
- 39 reassessment under the reassessment plan, or the annual
- 40 adjustment had not occurred; and
- 41 (3) may decrease base assessed value only to the extent that
- 42 assessed values in the allocation area have been decreased due to



1 annual adjustments or the reassessment under the reassessment
2 plan.

3 Assessed value increases attributable to the application of an abatement
4 schedule under IC 6-1.1-12.1 may not be included in the base assessed
5 value of an allocation area. The department of local government
6 finance may prescribe procedures for county and township officials to
7 follow to assist the department in making the adjustments.

8 (i) The allocation deadline referred to in subsection (b) is
9 determined in the following manner:

10 (1) The initial allocation deadline is December 31, 2011.

11 (2) Subject to subdivision (3), the initial allocation deadline and
12 subsequent allocation deadlines are automatically extended in
13 increments of five (5) years, so that allocation deadlines
14 subsequent to the initial allocation deadline fall on December 31,
15 2016, and December 31 of each fifth year thereafter.

16 (3) At least one (1) year before the date of an allocation deadline
17 determined under subdivision (2), the general assembly may enact
18 a law that:

19 (A) terminates the automatic extension of allocation deadlines
20 under subdivision (2); and

21 (B) specifically designates a particular date as the final
22 allocation deadline.

23 SECTION 4. IC 36-7-14-48, AS AMENDED BY P.L.149-2014,
24 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
25 JANUARY 1, 2016]: Sec. 48. (a) Notwithstanding section 39(a) of this
26 chapter, with respect to the allocation and distribution of property taxes
27 for the accomplishment of a program adopted under section 45 of this
28 chapter, "base assessed value" means the net assessed value of all of
29 the property, other than personal property, as finally determined for the
30 assessment date immediately preceding the effective date of the
31 allocation provision, as adjusted under section 39(h) of this chapter.

32 (b) The allocation fund established under section 39(b) of this
33 chapter for the allocation area for a program adopted under section 45
34 of this chapter may be used only for purposes related to the
35 accomplishment of the program, including the following:

36 (1) The construction, rehabilitation, or repair of residential units
37 within the allocation area.

38 (2) The construction, reconstruction, or repair of any
39 infrastructure (including streets, sidewalks, and sewers) within or
40 serving the allocation area.

41 (3) The acquisition of real property and interests in real property
42 within the allocation area.



(4) The demolition of real property within the allocation area.

(5) The provision of financial assistance to enable individuals and families to purchase or lease residential units within the allocation area. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.

(6) The provision of financial assistance to neighborhood development corporations to permit them to provide financial assistance for the purposes described in subdivision (5).

(7) For property taxes first due and payable before January 1, 2009, providing each taxpayer in the allocation area a credit for property tax replacement as determined under subsections (c) and (d). However, the commission may provide this credit only if the municipal legislative body (in the case of a redevelopment commission established by a municipality) or the county executive (in the case of a redevelopment commission established by a county) establishes the credit by ordinance adopted in the year before the year in which the credit is provided.

(c) The maximum credit that may be provided under subsection (b)(7) to a taxpayer in a taxing district that contains all or part of an allocation area established for a program adopted under section 45 of this chapter shall be determined as follows:

STEP ONE: Determine that part of the sum of the amounts described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) through IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) (before its repeal) for that year as determined under IC 6-1.1-21-4(a)(1) (before its repeal) that is attributable to the taxing district; by

(B) the amount determined under STEP ONE.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) (before its repeal) levied in the taxing district allocated to the allocation fund, including the amount that would have been allocated but for the credit.

(d) The commission may determine to grant to taxpayers in an allocation area from its allocation fund a credit under this section, as calculated under subsection (c). Except as provided in subsection (g), one-half (1/2) of the credit shall be applied to each installment of taxes



(as defined in IC 6-1.1-21-2) (before its repeal) that under IC 6-1.1-22-9 are due and payable in a year. The commission must provide for the credit annually by a resolution and must find in the resolution the following:

(1) That the money to be collected and deposited in the allocation fund, based upon historical collection rates, after granting the credit will equal the amounts payable for contractual obligations from the fund, plus ten percent (10%) of those amounts.

(2) If bonds payable from the fund are outstanding, that there is a debt service reserve for the bonds that at least equals the amount of the credit to be granted.

(3) If bonds of a lessor under section 25.2 of this chapter or under IC 36-1-10 are outstanding and if lease rentals are payable from the fund, that there is a debt service reserve for those bonds that at least equals the amount of the credit to be granted.

If the tax increment is insufficient to grant the credit in full, the commission may grant the credit in part, prorated among all taxpayers.

(e) Notwithstanding section 39(b) of this chapter, the allocation fund established under section 39(b) of this chapter for the allocation area for a program adopted under section 45 of this chapter may only be used to do one (1) or more of the following:

(1) Accomplish one (1) or more of the actions set forth in section 39(b)(3)(A) through 39(b)(3)(H) and 39(b)(3)(J) of this chapter for property that is residential in nature.

(2) Reimburse the county or municipality for expenditures made by the county or municipality in order to accomplish the housing program in that allocation area.

The allocation fund may not be used for operating expenses of the commission.

(f) Notwithstanding section 39(b) of this chapter, the commission shall, relative to the allocation fund established under section 39(b) of this chapter for an allocation area for a program adopted under section 45 of this chapter, do the following before July 1 of each year:

(1) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to:

(A) make the distribution required under section 39(b)(2) of **this chapter;**

(B) make, when due, principal and interest payments on bonds



described in section 39(b)(3) of this chapter;

(C) pay the amount necessary for other purposes described in section 39(b)(3) of this chapter; and

(D) reimburse the county or municipality for anticipated expenditures described in subsection (e)(2).

(2) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, ~~and~~ the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, **and (in an electronic format) the department of local government finance.** The notice must:

(A) state the amount, if any, of excess property taxes that the commission has determined may be paid to the respective taxing units in the manner prescribed in section 39(b)(1) of this chapter; or

(B) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission.

(3) If:

(A) the amount of excess assessed value determined by the commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds described in subdivision (1); plus

(B) the amount necessary for other purposes described in subdivision (1);

the commission shall submit to the legislative body of the unit its determination of the excess assessed value that the commission proposes to allocate to the respective taxing units in the manner prescribed in subdivision (2). The legislative body of the unit may approve the commission's determination or modify the amount of the excess assessed value that will be allocated to the respective taxing units in the manner prescribed in subdivision (2).

(g) This subsection applies to an allocation area only to the extent that the net assessed value of property that is assessed as residential property under the rules of the department of local government finance is not included in the base assessed value. If property tax installments with respect to a homestead (as defined in IC 6-1.1-12-37) are due in



installments established by the department of local government finance under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an allocation area is entitled to an additional credit under subsection (d) for the taxes (as defined in IC 6-1.1-21-2) (before its repeal) due in installments. The credit shall be applied in the same proportion to each installment of taxes (as defined in IC 6-1.1-21-2) (before its repeal).

SECTION 5. IC 36-7-14-52, AS ADDED BY P.L.7-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 52. (a) Notwithstanding section 39(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of the purposes of an age-restricted housing program adopted under section 49 of this chapter, "base assessed value" means the net assessed value of all of the property, other than personal property, as finally determined for the assessment date immediately preceding the effective date of the allocation provision, as adjusted under section 39(h) of this chapter.

(b) The allocation fund established under section 39(b) of this chapter for the allocation area for an age-restricted housing program adopted under section 49 of this chapter may be used only for purposes related to the accomplishment of the purposes of the program, including, but not limited to, the following:

(1) The construction of any infrastructure (including streets, sidewalks, and sewers) or local public improvements in, serving, or benefiting the allocation area.

(2) The acquisition of real property and interests in real property within the allocation area.

(3) The preparation of real property in anticipation of development of the real property within the allocation area.

(4) To do any of the following:

(A) Pay the principal of and interest on bonds or any other obligations payable from allocated tax proceeds in the allocation area that are incurred by the redevelopment district for the purpose of financing or refinancing the age-restricted housing program established under section 49 of this chapter for the allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in the allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in the allocation area and from the special tax levied under section 27 of this chapter.

(D) Pay the principal of and interest on bonds issued by the



unit to pay for local public improvements that are physically located in or physically connected to the allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in the allocation area.

(F) Make payments on leases payable from allocated tax proceeds in the allocation area under section 25.2 of this chapter.

(G) Reimburse the unit for expenditures made by the unit for local public improvements (which include buildings, parking facilities, and other items described in section 25.1(a) of this chapter) that are physically located in or physically connected to the allocation area.

(c) Notwithstanding section 39(b) of this chapter, the commission shall, relative to the allocation fund established under section 39(b) of this chapter for an allocation area for an age-restricted housing program adopted under section 49 of this chapter, do the following before July 1 of each year:

(1) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to:

(A) make the distribution required under section 39(b)(2) of this chapter;

(B) make, when due, principal and interest payments on bonds described in section 39(b)(3) of this chapter;

(C) pay the amount necessary for other purposes described in section 39(b)(3) of this chapter; and

(D) reimburse the county or municipality for anticipated expenditures described in subsection (b)(2).

(2) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, **and (in an electronic format) the department of local government finance.** The notice must:

(A) state the amount, if any, of excess property taxes that the commission has determined may be paid to the respective taxing units in the manner prescribed in section 39(b)(1) of



1 this chapter; or

2 (B) state that the commission has determined that there is no
3 excess assessed value that may be allocated to the respective
4 taxing units in the manner prescribed in subdivision (1).

5 The county auditor shall allocate to the respective taxing units the
6 amount, if any, of excess assessed value determined by the
7 commission.

8 SECTION 6. IC 36-7-14.5-9, AS AMENDED BY P.L.149-2014,
9 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JANUARY 1, 2016]: Sec. 9. (a) ~~Immediately after January 15 of~~ Each
11 year, the board shall hold an organizational meeting **on a day that is**
12 **not a Saturday, a Sunday, or a legal holiday and that is their first**
13 **meeting day of the year.** It shall elect one (1) of the members
14 president, another vice president, and another secretary-treasurer to
15 perform the duties of those offices. These officers serve from the date
16 of their election and until their successors are elected and qualified.
17 The board may elect an assistant secretary-treasurer. Before ~~July~~
18 **March 1**, the secretary-treasurer shall report annually to **the board.**
19 **Not later than March 15 of each year, the board shall submit a**
20 **report setting out its activities during the preceding calendar year**
21 **to:**

22 **(1) the executive and the fiscal body of the unit that established**
23 **the redevelopment authority; and**

24 **(2) the department of local government finance in an**
25 **electronic format.**

26 (b) Special meetings may be called by the president of the board or
27 any two (2) members of the board.

28 (c) A majority of the members constitutes a quorum, and the
29 concurrence of a majority of the members is necessary to authorize any
30 action.

31 SECTION 7. IC 36-7-15.1-26, AS AMENDED BY P.L.95-2014,
32 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JANUARY 1, 2016]: Sec. 26. (a) As used in this section:

34 "Allocation area" means that part of a redevelopment project area
35 to which an allocation provision of a resolution adopted under section
36 8 of this chapter refers for purposes of distribution and allocation of
37 property taxes.

38 "Base assessed value" means the following:

39 (1) If an allocation provision is adopted after June 30, 1995, in a
40 declaratory resolution or an amendment to a declaratory
41 resolution establishing an economic development area:

42 (A) the net assessed value of all the property as finally



- 1 determined for the assessment date immediately preceding the
- 2 effective date of the allocation provision of the declaratory
- 3 resolution, as adjusted under subsection (h); plus
- 4 (B) to the extent that it is not included in clause (A), the net
- 5 assessed value of property that is assessed as residential
- 6 property under the rules of the department of local government
- 7 finance, as finally determined for any assessment date after the
- 8 effective date of the allocation provision.
- 9 (2) If an allocation provision is adopted after June 30, 1997, in a
- 10 declaratory resolution or an amendment to a declaratory
- 11 resolution establishing a redevelopment project area:
- 12 (A) the net assessed value of all the property as finally
- 13 determined for the assessment date immediately preceding the
- 14 effective date of the allocation provision of the declaratory
- 15 resolution, as adjusted under subsection (h); plus
- 16 (B) to the extent that it is not included in clause (A), the net
- 17 assessed value of property that is assessed as residential
- 18 property under the rules of the department of local government
- 19 finance, as finally determined for any assessment date after the
- 20 effective date of the allocation provision.
- 21 (3) If:
- 22 (A) an allocation provision adopted before June 30, 1995, in
- 23 a declaratory resolution or an amendment to a declaratory
- 24 resolution establishing a redevelopment project area expires
- 25 after June 30, 1997; and
- 26 (B) after June 30, 1997, a new allocation provision is included
- 27 in an amendment to the declaratory resolution;
- 28 the net assessed value of all the property as finally determined for
- 29 the assessment date immediately preceding the effective date of
- 30 the allocation provision adopted after June 30, 1997, as adjusted
- 31 under subsection (h).
- 32 (4) Except as provided in subdivision (5), for all other allocation
- 33 areas, the net assessed value of all the property as finally
- 34 determined for the assessment date immediately preceding the
- 35 effective date of the allocation provision of the declaratory
- 36 resolution, as adjusted under subsection (h).
- 37 (5) If an allocation area established in an economic development
- 38 area before July 1, 1995, is expanded after June 30, 1995, the
- 39 definition in subdivision (1) applies to the expanded part of the
- 40 area added after June 30, 1995.
- 41 (6) If an allocation area established in a redevelopment project
- 42 area before July 1, 1997, is expanded after June 30, 1997, the



1 definition in subdivision (2) applies to the expanded part of the
2 area added after June 30, 1997.

3 Except as provided in section 26.2 of this chapter, "property taxes"
4 means taxes imposed under IC 6-1.1 on real property. However, upon
5 approval by a resolution of the redevelopment commission adopted
6 before June 1, 1987, "property taxes" also includes taxes imposed
7 under IC 6-1.1 on depreciable personal property. If a redevelopment
8 commission adopted before June 1, 1987, a resolution to include within
9 the definition of property taxes, taxes imposed under IC 6-1.1 on
10 depreciable personal property that has a useful life in excess of eight
11 (8) years, the commission may by resolution determine the percentage
12 of taxes imposed under IC 6-1.1 on all depreciable personal property
13 that will be included within the definition of property taxes. However,
14 the percentage included must not exceed twenty-five percent (25%) of
15 the taxes imposed under IC 6-1.1 on all depreciable personal property.

16 (b) A resolution adopted under section 8 of this chapter on or before
17 the allocation deadline determined under subsection (i) may include a
18 provision with respect to the allocation and distribution of property
19 taxes for the purposes and in the manner provided in this section. A
20 resolution previously adopted may include an allocation provision by
21 the amendment of that resolution on or before the allocation deadline
22 determined under subsection (i) in accordance with the procedures
23 required for its original adoption. A declaratory resolution or
24 amendment that establishes an allocation provision must include a
25 specific finding of fact, supported by evidence, that the adoption of the
26 allocation provision will result in new property taxes in the area that
27 would not have been generated but for the adoption of the allocation
28 provision. For an allocation area established before July 1, 1995, the
29 expiration date of any allocation provisions for the allocation area is
30 June 30, 2025, or the last date of any obligations that are outstanding
31 on July 1, 2015, whichever is later. However, an expiration date
32 imposed by this subsection does not apply to an allocation area
33 identified as the Consolidated Allocation Area in the report submitted
34 in 2013 to the fiscal body under section 36.3 of this chapter. A
35 declaratory resolution or an amendment that establishes an allocation
36 provision after June 30, 1995, must specify an expiration date for the
37 allocation provision. For an allocation area established before July 1,
38 2008, the expiration date may not be more than thirty (30) years after
39 the date on which the allocation provision is established. For an
40 allocation area established after June 30, 2008, the expiration date may
41 not be more than twenty-five (25) years after the date on which the first
42 obligation was incurred to pay principal and interest on bonds or lease



rentals on leases payable from tax increment revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the allocation area be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made;

or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from



1 allocated tax proceeds in that allocation area and from the
2 special tax levied under section 19 of this chapter.

3 (D) Pay the principal of and interest on bonds issued by the
4 consolidated city to pay for local public improvements that are
5 physically located in or physically connected to that allocation
6 area.

7 (E) Pay premiums on the redemption before maturity of bonds
8 payable solely or in part from allocated tax proceeds in that
9 allocation area.

10 (F) Make payments on leases payable from allocated tax
11 proceeds in that allocation area under section 17.1 of this
12 chapter.

13 (G) Reimburse the consolidated city for expenditures for local
14 public improvements (which include buildings, parking
15 facilities, and other items set forth in section 17 of this
16 chapter) that are physically located in or physically connected
17 to that allocation area.

18 (H) Reimburse the unit for rentals paid by it for a building or
19 parking facility that is physically located in or physically
20 connected to that allocation area under any lease entered into
21 under IC 36-1-10.

22 (I) Reimburse public and private entities for expenses incurred
23 in training employees of industrial facilities that are located:

- 24 (i) in the allocation area; and
- 25 (ii) on a parcel of real property that has been classified as
- 26 industrial property under the rules of the department of local
- 27 government finance.

28 However, the total amount of money spent for this purpose in
29 any year may not exceed the total amount of money in the
30 allocation fund that is attributable to property taxes paid by the
31 industrial facilities described in this clause. The
32 reimbursements under this clause must be made within three
33 (3) years after the date on which the investments that are the
34 basis for the increment financing are made.

35 (J) Pay the costs of carrying out an eligible efficiency project
36 (as defined in IC 36-9-41-1.5) within the unit that established
37 the redevelopment commission. However, property tax
38 proceeds may be used under this clause to pay the costs of
39 carrying out an eligible efficiency project only if those
40 property tax proceeds exceed the amount necessary to do the
41 following:

- 42 (i) Make, when due, any payments required under clauses



(A) through (I), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.

(ii) Make any reimbursements required under this subdivision.

(iii) Pay any expenses required under this subdivision.

(iv) Establish, augment, or restore any debt service reserve under this subdivision.

(K) Expend money and provide financial assistance as authorized in section 7(a)(21) of this chapter.

The special fund may not be used for operating expenses of the commission.

(4) Before July 1 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3) and subsection (g).

(B) Provide a written notice to the county auditor, the legislative body of the consolidated city, ~~and~~ the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, **and (in an electronic format) the department of local government finance.** The notice must:

(i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation



to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3).

(C) If:

(i) the amount of excess assessed value determined by the commission is expected to generate more than two hundred percent (200%) of the amount of allocated tax proceeds necessary to make, when due, principal and interest payments on bonds described in subdivision (3); plus

(ii) the amount necessary for other purposes described in subdivision (3) and subsection (g);

the commission shall submit to the legislative body of the unit the commission's determination of the excess assessed value that the commission proposes to allocate to the respective taxing units in the manner prescribed in subdivision (1). The legislative body of the unit may approve the commission's determination or modify the amount of the excess assessed value that will be allocated to the respective taxing units in the manner prescribed in subdivision (1).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.



(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(3). However, where reference is made in subsection (b)(3) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment of real property in an area under IC 6-1.1-4-4 and after each reassessment under a reassessment plan



1 prepared under IC 6-1.1-4-4.2, the department of local government
 2 finance shall adjust the base assessed value one (1) time to neutralize
 3 any effect of the reassessment of the real property in the area on the
 4 property tax proceeds allocated to the redevelopment district under this
 5 section. After each annual adjustment under IC 6-1.1-4-4.5, the
 6 department of local government finance shall adjust the base assessed
 7 value to neutralize any effect of the annual adjustment on the property
 8 tax proceeds allocated to the redevelopment district under this section.
 9 However, the adjustments under this subsection may not include the
 10 effect of property tax abatements under IC 6-1.1-12.1, and these
 11 adjustments may not produce less property tax proceeds allocable to
 12 the redevelopment district under subsection (b)(3) than would
 13 otherwise have been received if the general reassessment, reassessment
 14 under the reassessment plan, or annual adjustment had not occurred.
 15 The department of local government finance may prescribe procedures
 16 for county and township officials to follow to assist the department in
 17 making the adjustments.

18 (i) The allocation deadline referred to in subsection (b) is
 19 determined in the following manner:

20 (1) The initial allocation deadline is December 31, 2011.

21 (2) Subject to subdivision (3), the initial allocation deadline and
 22 subsequent allocation deadlines are automatically extended in
 23 increments of five (5) years, so that allocation deadlines
 24 subsequent to the initial allocation deadline fall on December 31,
 25 2016, and December 31 of each fifth year thereafter.

26 (3) At least one (1) year before the date of an allocation deadline
 27 determined under subdivision (2), the general assembly may enact
 28 a law that:

29 (A) terminates the automatic extension of allocation deadlines
 30 under subdivision (2); and

31 (B) specifically designates a particular date as the final
 32 allocation deadline.

33 SECTION 8. IC 36-7-15.1-35, AS AMENDED BY P.L.6-2012,
 34 SECTION 245, IS AMENDED TO READ AS FOLLOWS
 35 [EFFECTIVE JANUARY 1, 2016]: Sec. 35. (a) Notwithstanding
 36 section 26(a) of this chapter, with respect to the allocation and
 37 distribution of property taxes for the accomplishment of a program
 38 adopted under section 32 of this chapter, "base assessed value" means
 39 the net assessed value of all of the land as finally determined for the
 40 assessment date immediately preceding the effective date of the
 41 allocation provision, as adjusted under section 26(h) of this chapter.
 42 However, "base assessed value" does not include the value of real



property improvements to the land.

(b) The special fund established under section 26(b) of this chapter for the allocation area for a program adopted under section 32 of this chapter may be used only for purposes related to the accomplishment of the program, including the following:

(1) The construction, rehabilitation, or repair of residential units within the allocation area.

(2) The construction, reconstruction, or repair of infrastructure (such as streets, sidewalks, and sewers) within or serving the allocation area.

(3) The acquisition of real property and interests in real property within the allocation area.

(4) The demolition of real property within the allocation area.

(5) To provide financial assistance to enable individuals and families to purchase or lease residential units within the allocation area. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.

(6) To provide financial assistance to neighborhood development corporations to permit them to provide financial assistance for the purposes described in subdivision (5).

(7) For property taxes first due and payable before 2009, to provide each taxpayer in the allocation area a credit for property tax replacement as determined under subsections (c) and (d). However, this credit may be provided by the commission only if the city-county legislative body establishes the credit by ordinance adopted in the year before the year in which the credit is provided.

(c) The maximum credit that may be provided under subsection (b)(7) to a taxpayer in a taxing district that contains all or part of an allocation area established for a program adopted under section 32 of this chapter shall be determined as follows:

STEP ONE: Determine that part of the sum of the amounts described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) through IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 (before its repeal)) for that year as determined under IC 6-1.1-21-4(a)(1) (before its repeal) that is attributable to the taxing district; by

(B) the amount determined under STEP ONE.



1 STEP THREE: Multiply:

2 (A) the STEP TWO quotient; by

3 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its
4 repeal)) levied in the taxing district allocated to the allocation
5 fund, including the amount that would have been allocated but
6 for the credit.

7 (d) Except as provided in subsection (g), the commission may
8 determine to grant to taxpayers in an allocation area from its allocation
9 fund a credit under this section, as calculated under subsection (c), by
10 applying one-half (1/2) of the credit to each installment of taxes (as
11 defined in IC 6-1.1-21-2 (before its repeal)) that under IC 6-1.1-22-9
12 are due and payable in a year. Except as provided in subsection (g),
13 one-half (1/2) of the credit shall be applied to each installment of taxes
14 (as defined in IC 6-1.1-21-2 (before its repeal)). The commission must
15 provide for the credit annually by a resolution and must find in the
16 resolution the following:

17 (1) That the money to be collected and deposited in the allocation
18 fund, based upon historical collection rates, after granting the
19 credit will equal the amounts payable for contractual obligations
20 from the fund, plus ten percent (10%) of those amounts.

21 (2) If bonds payable from the fund are outstanding, that there is
22 a debt service reserve for the bonds that at least equals the amount
23 of the credit to be granted.

24 (3) If bonds of a lessor under section 17.1 of this chapter or under
25 IC 36-1-10 are outstanding and if lease rentals are payable from
26 the fund, that there is a debt service reserve for those bonds that
27 at least equals the amount of the credit to be granted.

28 If the tax increment is insufficient to grant the credit in full, the
29 commission may grant the credit in part, prorated among all taxpayers.

30 (e) Notwithstanding section 26(b) of this chapter, the special fund
31 established under section 26(b) of this chapter for the allocation area
32 for a program adopted under section 32 of this chapter may only be
33 used to do one (1) or more of the following:

34 (1) Accomplish one (1) or more of the actions set forth in section
35 26(b)(3)(A) through 26(b)(3)(H) of this chapter.

36 (2) Reimburse the consolidated city for expenditures made by the
37 city in order to accomplish the housing program in that allocation
38 area.

39 The special fund may not be used for operating expenses of the
40 commission.

41 (f) Notwithstanding section 26(b) of this chapter, the commission
42 shall, relative to the special fund established under section 26(b) of this



chapter for an allocation area for a program adopted under section 32 of this chapter, do the following before July 1 of each year:

(1) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to:

(A) make the distribution required under section 26(b)(2) of this chapter;

(B) make, when due, principal and interest payments on bonds described in section 26(b)(3) of this chapter;

(C) pay the amount necessary for other purposes described in section 26(b)(3) of this chapter; and

(D) reimburse the consolidated city for anticipated expenditures described in subsection (e)(2).

(2) Provide a written notice to the county auditor, the legislative body of the consolidated city, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, **and (in an electronic format) the department of local government finance.** The notice must:

(A) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in section 26(b)(1) of this chapter; or

(B) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in section 26(b)(1) of this chapter.

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission.

(g) This subsection applies to an allocation area only to the extent that the net assessed value of property that is assessed as residential property under the rules of the department of local government finance is not included in the base assessed value. If property tax installments with respect to a homestead (as defined in IC 6-1.1-20.9-1 (before its repeal)) are due in installments established by the department of local government finance under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an allocation area is entitled to an additional credit under subsection (d) for the taxes (as defined in IC 6-1.1-21-2 (before its repeal)) due in installments. The credit shall be applied in



the same proportion to each installment of taxes (as defined in IC 6-1.1-21-2 (before its repeal)).

SECTION 9. IC 36-7-15.1-36.3, AS AMENDED BY P.L.218-2013, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 36.3. (a) Not later than March 15 of each year, the commission or its designee shall file with the mayor **and the fiscal body** a report setting out the commission's activities during the preceding calendar year.

(b) The report required by subsection (a) must show the names of the then qualified and acting commissioners, the names of the officers of that body, the number of regular employees and their fixed salaries or compensation, the amount of the expenditures made during the preceding year and their general purpose, an accounting of the tax increment revenues expended by any entity receiving the tax increment revenues as a grant or loan from the commission, the amount of funds on hand at the close of the calendar year, and other information necessary to disclose the activities of the commission and the results obtained.

(c) A copy of each report filed under this section must be submitted to the department of local government finance in an electronic format.

~~(d) Before August 1 each year, the commission shall also submit a report to the fiscal body.~~ The report **required under subsection (a)** must **also** include the following information set forth for each tax increment financing district regarding the previous year:

- (1) Revenues received.
- (2) Expenses paid.
- (3) Fund balances.
- (4) The amount and maturity date for all outstanding obligations.
- (5) The amount paid on outstanding obligations.
- (6) A list of all the parcels included in each tax increment financing district allocation area and the base assessed value and incremental assessed value for each parcel in the list.

~~Before October 1 each year, the fiscal body shall compile the reports received for all the tax increment financing districts and submit a comprehensive report to the department of local government finance in the form required by the department of local government finance.~~

SECTION 10. IC 36-7-15.1-53, AS AMENDED BY P.L.112-2012, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 53. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a resolution adopted under section 40 of this chapter refers for purposes of distribution and allocation of



1 property taxes.

2 "Base assessed value" means:

3 (1) the net assessed value of all the property as finally determined
4 for the assessment date immediately preceding the effective date
5 of the allocation provision of the declaratory resolution, as
6 adjusted under subsection (h); plus

7 (2) to the extent that it is not included in subdivision (1), the net
8 assessed value of property that is assessed as residential property
9 under the rules of the department of local government finance, as
10 finally determined for any assessment date after the effective date
11 of the allocation provision.

12 Except as provided in section 55 of this chapter, "property taxes"
13 means taxes imposed under IC 6-1.1 on real property.

14 (b) A resolution adopted under section 40 of this chapter on or
15 before the allocation deadline determined under subsection (i) may
16 include a provision with respect to the allocation and distribution of
17 property taxes for the purposes and in the manner provided in this
18 section. A resolution previously adopted may include an allocation
19 provision by the amendment of that resolution on or before the
20 allocation deadline determined under subsection (i) in accordance with
21 the procedures required for its original adoption. A declaratory
22 resolution or an amendment that establishes an allocation provision
23 must be approved by resolution of the legislative body of the excluded
24 city and must specify an expiration date for the allocation provision.
25 For an allocation area established before July 1, 2008, the expiration
26 date may not be more than thirty (30) years after the date on which the
27 allocation provision is established. For an allocation area established
28 after June 30, 2008, the expiration date may not be more than
29 twenty-five (25) years after the date on which the first obligation was
30 incurred to pay principal and interest on bonds or lease rentals on
31 leases payable from tax increment revenues. However, with respect to
32 bonds or other obligations that were issued before July 1, 2008, if any
33 of the bonds or other obligations that were scheduled when issued to
34 mature before the specified expiration date and that are payable only
35 from allocated tax proceeds with respect to the allocation area remain
36 outstanding as of the expiration date, the allocation provision does not
37 expire until all of the bonds or other obligations are no longer
38 outstanding. The allocation provision may apply to all or part of the
39 redevelopment project area. The allocation provision must require that
40 any property taxes subsequently levied by or for the benefit of any
41 public body entitled to a distribution of property taxes on taxable
42 property in the allocation area be allocated and distributed as follows:



(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value; shall be allocated to and, when collected, paid into the funds of the respective taxing units.

(2) The excess of the proceeds of the property taxes imposed for the assessment date with respect to which the allocation and distribution is made that are attributable to taxes imposed after being approved by the voters in a referendum or local public question conducted after April 30, 2010, not otherwise included in subdivision (1) shall be allocated to and, when collected, paid into the funds of the taxing unit for which the referendum or local public question was conducted.

(3) Except as otherwise provided in this section, property tax proceeds in excess of those described in subdivisions (1) and (2) shall be allocated to the redevelopment district and, when collected, paid into a special fund for that allocation area that may be used by the redevelopment district only to do one (1) or more of the following:

(A) Pay the principal of and interest on any obligations payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 50 of this chapter.

(D) Pay the principal of and interest on bonds issued by the excluded city to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 46 of this chapter.



(G) Reimburse the excluded city for expenditures for local public improvements (which include buildings, park facilities, and other items set forth in section 45 of this chapter) that are physically located in or physically connected to that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

The special fund may not be used for operating expenses of the commission.

(4) Before July ~~15~~ 1 of each year, the commission shall do the following:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus the amount necessary for other purposes described in subdivision (3) and subsection (g).

(B) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, ~~and~~ the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area, **and (in an electronic format) the department of local government**



finance. The notice must:

(i) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in subdivision (1); or

(ii) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission. The commission may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in subdivision (3).

(c) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the resolution is the lesser of:

(1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(2) the base assessed value.

(d) Property tax proceeds allocable to the redevelopment district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

(e) Notwithstanding any other law, each assessor shall, upon petition of the commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located, is the lesser of:

(1) the assessed value of the property as valued without regard to this section; or

(2) the base assessed value.

(g) If any part of the allocation area is located in an enterprise zone created under IC 5-28-15, the unit that designated the allocation area shall create funds as specified in this subsection. A unit that has obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish an allocation fund for the purposes



specified in subsection (b)(3) and a special zone fund. Such a unit shall, until the end of the enterprise zone phase out period, deposit each year in the special zone fund the amount in the allocation fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone that exceeds the amount sufficient for the purposes specified in subsection (b)(3) for the year. A unit that has no obligations, bonds, or leases payable from allocated tax proceeds under subsection (b)(3) shall establish a special zone fund and deposit all the property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) in the fund derived from property tax proceeds in excess of those described in subsection (b)(1) and (b)(2) from property located in the enterprise zone. The unit that creates the special zone fund shall use the fund, based on the recommendations of the urban enterprise association, for one (1) or more of the following purposes:

(1) To pay for programs in job training, job enrichment, and basic skill development designed to benefit residents and employers in the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in an enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(3). However, where reference is made in subsection (b)(3) to the allocation area, the reference refers, for purposes of payments from the special zone fund, only to that part of the allocation area that is also located in the enterprise zone.

(h) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment of real property in an area under IC 6-1.1-4-4 or reassessment under a county's reassessment plan prepared under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the



1 department of local government finance shall adjust the base assessed
 2 value to neutralize any effect of the annual adjustment on the property
 3 tax proceeds allocated to the redevelopment district under this section.
 4 However, the adjustments under this subsection may not include the
 5 effect of property tax abatements under IC 6-1.1-12.1, and these
 6 adjustments may not produce less property tax proceeds allocable to
 7 the redevelopment district under subsection (b)(3) than would
 8 otherwise have been received if the general reassessment, reassessment
 9 under the county's reassessment plan, or annual adjustment had not
 10 occurred. The department of local government finance may prescribe
 11 procedures for county and township officials to follow to assist the
 12 department in making the adjustments.

13 (i) The allocation deadline referred to in subsection (b) is
 14 determined in the following manner:

15 (1) The initial allocation deadline is December 31, 2011.

16 (2) Subject to subdivision (3), the initial allocation deadline and
 17 subsequent allocation deadlines are automatically extended in
 18 increments of five (5) years, so that allocation deadlines
 19 subsequent to the initial allocation deadline fall on December 31,
 20 2016, and December 31 of each fifth year thereafter.

21 (3) At least one (1) year before the date of an allocation deadline
 22 determined under subdivision (2), the general assembly may enact
 23 a law that:

24 (A) terminates the automatic extension of allocation deadlines
 25 under subdivision (2); and

26 (B) specifically designates a particular date as the final
 27 allocation deadline.

28 SECTION 11. IC 36-7-15.1-62, AS ADDED BY P.L.7-2013,
 29 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 30 JANUARY 1, 2016]: Sec. 62. (a) Notwithstanding section 26(a) of this
 31 chapter, with respect to the allocation and distribution of property taxes
 32 for the accomplishment of the purposes of an age-restricted housing
 33 program adopted under section 59 of this chapter, "base assessed
 34 value" means the net assessed value of all of the property, other than
 35 personal property, as finally determined for the assessment date
 36 immediately preceding the effective date of the allocation provision, as
 37 adjusted under section 26(h) of this chapter.

38 (b) The allocation fund established under section 26(b) of this
 39 chapter for the allocation area for an age-restricted housing program
 40 adopted under section 59 of this chapter may be used only for purposes
 41 related to the accomplishment of the purposes of the program,
 42 including, but not limited to, the following:



(1) The construction of any infrastructure (including streets, sidewalks, and sewers) or local public improvements in, serving, or benefiting the allocation area.

(2) The acquisition of real property and interests in real property within the allocation area.

(3) The preparation of real property in anticipation of development of the real property within the allocation area.

(4) To do any of the following:

(A) Pay the principal of and interest on bonds or any other obligations payable from allocated tax proceeds in the allocation area that are incurred by the redevelopment district for the purpose of financing or refinancing the age-restricted housing program established under section 59 of this chapter for the allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in the allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in the allocation area and from the special tax levied under section 19 of this chapter.

(D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements that are physically located in or physically connected to the allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in the allocation area.

(F) Make payments on leases payable from allocated tax proceeds in the allocation area under section 17.1 of this chapter.

(G) Reimburse the unit for expenditures made by the unit for local public improvements (which include buildings, parking facilities, and other items described in section 17(a) of this chapter) that are physically located in or physically connected to the allocation area.

(c) Notwithstanding section 26(b) of this chapter, the commission shall, relative to the allocation fund established under section 26(b) of this chapter for an allocation area for an age-restricted housing program adopted under section 59 of this chapter, do the following before July 1 of each year:

(1) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied



1 by the estimated tax rate of the allocation area, will exceed the
 2 amount of assessed value needed to produce the property taxes
 3 necessary to:

4 (A) make the distribution required under section 26(b)(2) of
 5 this chapter;

6 (B) make, when due, principal and interest payments on bonds
 7 described in section 26(b)(3) of this chapter;

8 (C) pay the amount necessary for other purposes described in
 9 section 26(b)(3) of this chapter; and

10 (D) reimburse the county or municipality for anticipated
 11 expenditures described in subsection (b)(2).

12 (2) Provide a written notice to the county auditor, the fiscal body
 13 of the county or municipality that established the department of
 14 redevelopment, ~~and~~ the officers who are authorized to fix budgets,
 15 tax rates, and tax levies under IC 6-1.1-17-5 for each of the other
 16 taxing units that is wholly or partly located within the allocation
 17 area, **and (in an electronic format) the department of local**
 18 **government finance.** The notice must:

19 (A) state the amount, if any, of excess property taxes that the
 20 commission has determined may be paid to the respective
 21 taxing units in the manner prescribed in section 26(b)(1) of
 22 this chapter; or

23 (B) state that the commission has determined that there is no
 24 excess assessed value that may be allocated to the respective
 25 taxing units in the manner prescribed in subdivision (1).

26 The county auditor shall allocate to the respective taxing units the
 27 amount, if any, of excess assessed value determined by the
 28 commission.

